CENHFILES



## UNITED STATES NUCLEAR REGULATORY COMMISSION REGION II 101 MARIETTA STREET, N.W. ATLANTA, GEORGIA 30303

JAN 0 9 1979

In Reply Refer To: RII:WPA 50-390/78-32

Tennessee Valley Authority
Attn: Mr. N. B. Hughes
Manager of Power
830 Power Building
Chattanooga, Tennessee 37401

## Gentlemen:

This refers to the inspection conducted by Mr. W. P. Ang of this office on December 12-15, 1978 of activities authorized by NRC License No. CPPR-91 for the Watts Bar, Unit 1 facility, and to the discussion of our findings held with Mr. T. B. Northern at the conclusion of the inspection.

Areas examined during the inspection and our findings are discussed in the enclosed inspection report. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspector.

One new unresolved item resulted from this inspection and is discussed in the enclosed report. This item will be examined during subsequent inspections.

During the inspection, it was found that certain activities under your license appear to be in noncompliance with NRC requirements. These items and references to pertinent requirements are listed in the Notice of Violation enclosed herewith as Appendix A. This notice is sent to you pursuant to the provisions of Section 2.201 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations. Section 2.201 requires you to submit to this office, within 20 days of your receipt of this notice, a written statement or explanation in reply including: (1) corrective steps which have been taken by you, and the results achieved; (2) corrective steps which will be taken to avoid further noncompliance; and (3) the date when full compliance will be achieved.

In accordance with Section 2.790 of the NRC's "Rules of Practice", Part 2, Title 10, Code of Federal Regulations, a copy of this letter and the enclosed inspection report will be placed in the NRC's Public Document Room. If this report contains any information that you (or your contractor) believe to be proprietary, it is necessary that you make a written application within 20 days to this office to withhold such information from public disclosure.

Any such application must include a full statement of the reasons on the basis of which it is claimed that the information is proprietary, and should be prepared so that proprietary information identified in the application is contained in a separate part of the document. If we do not hear from you in this regard within the specified period, the report will be placed in the Public Document Room.

Should you have any questions concerning this letter, we will be glad to discuss them with you.

Sincerely,

Charles E. Murphy, Chief Reactor Construction and Engineering Support Branch

Enclosure:

Inspection Report No. 50-390/78-32

cc w/enclosure: Mr. J. E. Gilleland Assistant Manager of Power 830 Power Building Chattanooga, Tennessee 37401

Mr. J. F. Groves Plant Superintendent Watts Bar Nuclear Plant Post Office Box 2000 Spring City, Tennessee 37381

Mr. T. B. Northern, Jr., Project Manager Watts Bar Nuclear Plant Post Office Box 2000 Spring City, Tennessee 37381

Mr. J. F. Cox 400 Commerce Street W9D214 Knoxville, Tennessee 37902